South Dakota Public Utilities Commission Meeting Tuesday, September 11, 2007, at 9:30 A.M. State Capitol Building, Room 412 Pierre, South Dakota

NOTE: If you wish to join this meeting by conference call, please contact the Commission at 605-773-3201 by 5:00 p.m. on September 10, 2007. Lines are limited and are given out on first come/first serve basis, subject to possible reassignment to accommodate persons who must appear in a proceeding. Ultimately, if you wish to participate in the Commission Meeting and a line is not available you may have to appear in person.

NOTE: To listen to the Commission Meeting live please go to the PUC's website www.puc.sd.gov and click on the LIVE button on the home page. The Commission requests that persons who will only be listening to proceedings and not actively appearing in a case listen via the webcast to free phone lines for those who have to appear. The Commission meetings are archived on the PUC's website under the Commission Actions tab and then click on the LISTEN button on the page.

NOTE: Notice is further given to persons with disabilities that this Commission meeting is being held in a physically accessible place. If you have special needs, please notify the Commission and we will make all necessary arrangements.

AGENDA OF COMMISSION MEETING

Administration

1. Approval of the Minutes of the Commission Meeting Held on July 11, 2007 (Staff: Demaris Axthelm)

Consumer Reports

1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission. (Consumer Affairs: Deb Gregg)

<u>Hydrocarbon Pipeline</u>

1. HP07-001 In the Matter of the Application of TransCanada Keystone Pipeline, LP for a Permit under the South Dakota Energy Conversion and Transmission Facility Act to Construct the Keystone Pipeline Project. (Staff Analysts: Martin Bettmann/Bob Knadle/Nathan Solem, Staff Attorney: Kara Semmler)

On April 27, 2007, TransCanada Keystone Pipeline, LP, (Keystone) filed a siting permit application for the South Dakota portion of the Keystone Pipeline Project (Project). The Project will

transport crude oil starting in Hardisty, Alberta, Canada and ending in Patoka, Illinois. The proposed 30 inch diameter pipeline will have a nominal capacity of 435,000 barrels of oil per day (bpd) with a possible expansion to 591,000 bpd. The proposed route will enter South Dakota at the North Dakota/South Dakota border in Marshall County and extend in a southerly direction. exiting the state at the South Dakota/Nebraska border in Yankton County. The length of the pipeline in South Dakota will be approximately 220 miles and it will cross the counties of Marshall, Day, Clark, Beadle, Kingsbury, Miner, Hanson, McCook, Hutchinson and Yankton. The Project also includes four pump stations in South Dakota located in Day, Beadle, Miner and Hutchinson counties along with 15 mainline valves with an average spacing of 15 miles between valves. At its regular meeting on August 7, 2007, the Commission considered whether a procedural schedule should be issued and whether pre-filed testimony should be required and heard from the parties regarding these issues and on dates for hearing and pre-filed testimony. The Commission decided to require pre-filed testimony and to issue a procedural schedule, established December 3-14. 2007 as the dates for hearing, decided to hold an additional public input hearing in conjunction with the evidentiary hearing and directed the Commission's legal counsel to confer with the parties who appeared or who otherwise contacted the Commission regarding the scheduling issue in an effort to reach agreement on the dates for filing pre-filed testimony and other pre-hearing dates. On August 23, 2007, Commission counsel circulated a draft scheduling and procedural order to the parties. The parties have been unable to agree on dates for the filing of pre-filed testimony and other dates in the case. On September 4, 2007, Commission counsel filed the circulated draft order.

TODAY, how shall the Commission Proceed Regarding Establishing a Scheduling and Procedural Order?

Telecommunications

1. TC06-181 In the Matter of the Petition of Venture Communications Cooperative for Suspension or Modification of Local Dialing Parity Reciprocal Compensation Obligations (Staff Analyst: Harlan Best, Staff Attorney: Kara Semmler)

On October 24, 2006, Venture Communications Cooperative (Venture) filed a Petition for Suspension or Modification of Local Dialing Parity and Reciprocal Compensation Obligations. In its Petition, Venture states that it seeks to modify the dialing parity and reciprocal compensation obligations in 47 U.S.C. § 251 (b) (3) and (5) of the Communications Act of 1934, as amended. Venture is requesting "modification of the dialing parity requirement such that Venture is not required to provide local dialing and it is not required to transport traffic outside of its service territory or beyond the wireline local calling area. Venture also requests a modification of the reciprocal compensation requirements such that it is not required to pay reciprocal compensation on traffic terminating to a wireless carrier within the same MTA that is handed off to an IXC in accordance with Venture's wireline local calling areas. Venture also requests a modification of the symmetrical compensation requirement and requests that the Commission base compensation for wireless carrier's on the wireless carrier's forward looking cost study. Venture also requests immediate temporary suspension of the 251(b) (3) and (5) requirements as described above pending this Commission's consideration of this request." The South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention on November 6, 2006. Rural Cellular

Corporation (RCC) and Alltel Communications, Inc. (Alltel) filed Petitions for Intervention on November 13, 2006. The Commission granted intervention to SDTA at its November 14, 2006, meeting. The Commission granted intervention to RCC and Altell at their Ad Hoc Meeting on November 20, 2006. On January 12, 2007, Alltel filed a Request to Use the Office of Hearing Examiners. On January 26, 2007, Venture filed a brief in Opposition to Request of Alltel Communications, Inc. to Use the Office of Hearing Examiners. The Commission voted to allow the use of the Office of Hearing Examiners at its February 1, 2007, meeting. On August 29, 2007, the parties filed a Joint Motion for Transfer and to Set a Hearing Date.

TODAY, shall the Commission Grant the Joint Motion for Transfer? AND, shall the Commission Set a Hearing Date?

2. TC06-191 In the Matter of EchoStar Satellite LLC Owning the Trademark Dish Network, Echosphere, LLC's Failure to Register as a Telemarketers and the Solicitations they made to those Registered on the Do Not Call List. (Staff Attorney: Kara Semmler)

On November 15, 2006, Commission Staff filed a Motion for an Order to Show Cause due to Dish Network's failure to register as a telemarketer and the solicitations it made to individuals registered with the South Dakota Do Not Call Registry. Upon further investigation, Staff determined that Dish Network is a subsidiary of EchoStar Satellite, LLC (EchoStar). The Commission added EchoStar as a party and issued an Order to Show Cause at its December 6, 2006, meeting. On April 13, 2007, staff filed a Motion for Continuance of Discovery and to Add Additional Parties. The Motion was granted at the April 24, 2007, commission meeting. On July 24, 2007, the parties filed a Joint Motion for Delay. EchoStar filed a Motion for Summary Judgment on July 27, 2007. The Motion for Delay was granted at the August 7, 2007, commission meeting. On August 15, 2007, staff filed a brief in reply to the Motion for Summary Judgment. A reply brief was filed by EchoStar on August 21, 2007. The Motion for Summary Judgment was heard at the August 28, 2007, commission meeting. On August 30, 2007, the parties filed a Joint Motion for Delay.

TODAY, shall the Commission Grant the Joint Motion for Delay?

3. TC07-083 In the Matter of the Application of Global Capacity Group, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services and Local Exchange Services in South Dakota. (Staff Analyst: Brian Rounds, Staff Attorney: Karen Cremer)

On July 3, 2007, Global Capacity Group, Inc. ("Global Capacity") filed an application for a certificate of authority to provide resold and facilities-based/UNE local exchange and interexchange services. Global Capacity intends to provide resold local exchange and interexchange service and to provide local services utilizing unbundled network elements (UNE) or UNE replacement through a commercial agreement with Qwest.

TODAY, shall the Commission Grant the Certificate of Authority to Global Capacity Group, Inc.?

Announcements

- 1. The next regularly scheduled Commission meeting will be held September 25, 2007, at 9:30 a.m. in Room 412, State Capitol Building, Pierre, SD.
- 2. Commission meetings are scheduled for October 9 and 23, 2007.
- 3. The PUC will host a wireless conference, "Connecting South Dakota: Wireless Technology," Sept. 18, 2007, at the Sioux Falls Convention Center

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September 4, 2007